

2-GI Performance Report



February 2026 | v178 | Generated 2200 CST, March 2, 2026
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The 2-GI (Growth and Income) Strategy Overview:

CB3 G.I. employs a Core–Satellite approach with a 40% S&P; 500 (SPY) core allocation complemented by income-focused satellites. G.I. is generally a 70/30 equity-to-fixed-income strategy. Risk management utilizes institutional-level put option debit spreads in S&P; 500 options. Monthly trading signals drive all portfolio adjustments.

Cumulative Return & Key Statistics

Jun 2017 — Feb 2026



Recent Results

	GI	60/40
MTD	0.1%	1.5%
YTD 2026	1.8%	3.4%
1-Year	-2.1%	17.7%
5-Year	-23.7%	43.7%

Since Inception

	GI	60/40
Total Return	30.3%	109.7%
Annualized Return	3.1%	8.8%
Annualized Vol.	21.1%	10.5%
Max Drawdown	-37.3%	-20.1%
Sharpe	0.25	0.86
Sortino	0.37	1.16
Beta to 60/40	1.48	—

Past performance does not indicate future results

March Performance Review & Outlook

On March 3, 2-GI executed its v178 strategic restructure. Three financial satellites (MS, BAC, PNC) were exited to reduce sector concentration from 7 to 4 positions. Proceeds funded RTX (defense), EEM (emerging markets), and EPOL (Poland)—adding international and aerospace exposure for the first time.

The restructure is a portfolio construction decision, not a signal override. All three exits were on BUY signals; the risk was concentration, not conviction. SPY core increased to 40% and the options hedge is maintained at 3%.

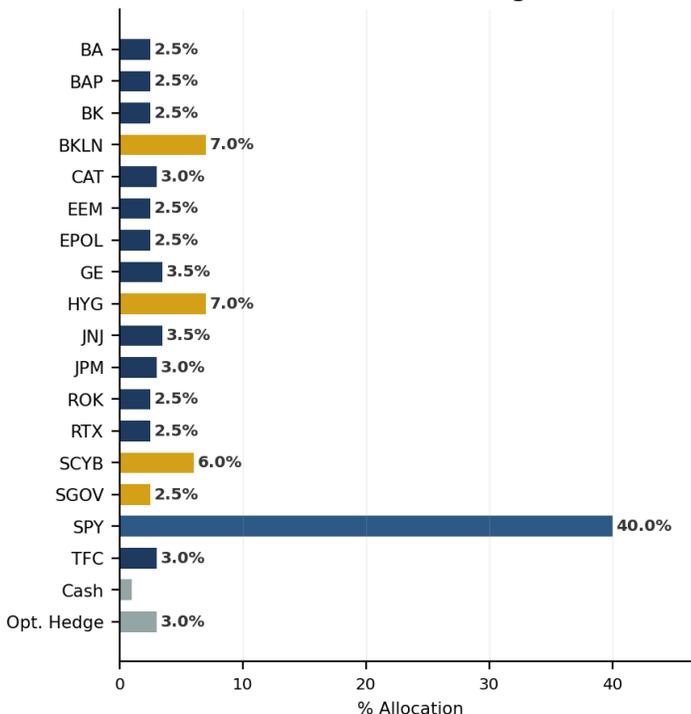
v178 Key Changes:

- Exits: MS, BAC, PNC (financials 7→4 satellites)
- Adds: RTX, EEM, EPOL (defense + international)
- SPY core 38%→40%; six positions resized

March Outlook:

- Tariff uncertainty persists; defensive tilt timely
- Defense sector tailwind from geopolitical escalation
- All current holdings on monthly BUY signals

Current Allocation (Target %)



Portfolio Characteristics

Nitrogen Risk	71	Annual Range Midpoint	8.43%
Annual Dividend Yield	2.84%	95% Range (6 Mo.)	-12.5% to +18.2%
Weighted Expense Ratio	0.09%	Equity Allocation	70%
Riskalyze GPA	3.8	Number of Holdings	1 Core + 12 Satellites + 4 FI + Hedge

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Monthly Net Returns

Net of all fees and expenses

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2026	1.72%	0.10%	-	-	-	-	-	-	-	-	-	-	1.82%
2025	3.09%	-0.95%	-3.61%	-3.85%	-2.09%	1.69%	-0.40%	2.15%	2.14%	-1.22%	-0.01%	1.54%	-1.80%
2024	3.35%	4.93%	5.10%	-3.84%	2.57%	-0.33%	0.52%	0.82%	0.94%	-0.46%	5.95%	-4.42%	15.55%
2023	2.69%	-2.94%	-5.47%	-0.15%	-2.21%	5.45%	2.18%	-1.40%	-3.15%	-2.46%	2.78%	2.04%	-3.17%
2022	-15.99%	-1.93%	4.56%	-8.14%	-2.91%	-9.75%	8.60%	-1.91%	-7.09%	5.03%	2.67%	-4.74%	-29.50%
2021	8.72%	3.33%	-3.31%	1.22%	-4.88%	3.03%	-0.91%	-0.50%	-5.32%	9.79%	1.17%	-2.71%	8.68%
2020	-0.33%	-6.45%	-14.94%	17.85%	10.90%	8.63%	9.09%	7.36%	0.21%	0.93%	15.13%	6.54%	63.58%
2019	11.57%	4.28%	-4.78%	0.03%	-7.73%	8.40%	2.07%	-2.86%	-3.56%	0.11%	5.10%	1.61%	13.33%
2018	-3.44%	-7.94%	-0.46%	-1.79%	6.39%	2.78%	-3.14%	21.38%	1.51%	-17.13%	-3.41%	-12.14%	-20.26%
2017	-	-	-	-	-	-0.06%	-0.07%	-1.13%	8.16%	0.72%	-0.11%	-4.28%	2.84%

CB3 Financial Investing Details

Overview.All CB3 trading programs remain 100% invested in the market at all times. Thus, CB3 utilizes 100% of client assets that have been allocated to us as the portfolio manager for our clients' benefit. In unfavorable markets, the options hedging can be increased and equity allocation decreased. It is CB3 Financial's position to be fully invested at all times, even when our target allocation may become more conservative.

Strategy Specifics.Balanced growth-and-income Core-Satellite approach: 40% S&P; 500 core, 30% equity satellites (financials, industrials, healthcare, emerging markets), 26% fixed income (senior loans, high yield, corporate bonds, T-bills), 3% options hedging, 1% cash; 17-19 holdings, monthly trading signals and 2-40% weightings per holding.

Minimum Investment.\$125,000.

Annual Management Fees per Investable AUM, assessed monthly in advance.\$125,000 - \$500,000: 1.5%; \$500,000 - \$1,000,000: 1.25%; \$1,000,000 - \$3,000,000: 1.0%; \$3,000,000 - \$5,000,000: 0.9% and \$5,000,000+: 0.85%.

About Us

Company Background.CB3 Financial Group, Inc. was founded in 2006 by Charles and Alice Brown. We are a boutique firm, investing for our family office and on behalf of a small group of select clients. We offer four strategies: DS (Discretionary Strategies) is the most aggressive, followed by CG (Capital Growth), GI (Growth and Income), and MP (Mini Portfolio). DS, CG, and GI utilize institutional-level advanced Put-Options Hedging at Charles Schwab. These strategies are designed to protect against harsh downside market moves that can happen very suddenly in today's trading environment.

Portfolio Manager, Charles Brown, III, CMT.Mr. Brown has been trading commodities and stocks for 30+ years. He is a member of the CMT Association and has been awarded the Chartered Market Technician (CMT) designation. Prior to CB3, he previously had a successful career trading commodities with his boutique Commodity Trading Advisor (CTA) firm, TST Capital. He is a sought-after lecturer and commentator on financial topics and economic news, is recognized for his accessible and easily-understandable approach to explaining complex topics in his everyman conversational style. YouTube.com/cb3live is the firm's YouTube channel. Mr. Brown is also an accomplished musician, performing at Carnegie Hall in NYC at the age of 17. He continues to compose and perform today. He is a graduate of the Cincinnati Conservatory of Music.

DISCLAIMER

Past performance does not guarantee future results. All investments and strategies carry the potential for both profit and loss. Different types of investments involve varying levels of risk. There is no guarantee that a specific investment or strategy will be suitable or profitable for an investor's portfolio. Asset allocation and diversification will not necessarily improve an investor's returns and cannot eliminate the risk of investment losses. CB3 Financial Group, Inc. is a State-Registered Investment Advisor in the State of Illinois, with registration exemptions in AL, CA, FL, GA, MI, MO, KS, SD, and WI.